

MOTOR FUELS UPDATE

DEPARTMENT OF REVENUE



Volume 9, Edition 2

Semiannually

April 1999

Changes to Diesel Fuel Reporting

The first bill passed by the 1999 Legislature and signed into law by Governor Johanns changes the way in which diesel fuel is taxed. LB143, results in undyed diesel being taxed in the same manner as motor vehicle (gasoline and gasohol) fuels, upon receipt by the wholesaler instead of upon the sale to their customer. This change will become effective on January 1, 2000.

Form and Reporting Changes

- ✓ Because of the similarity in taxing both products, we are designing a new form which will consolidate the filing of gasoline, gasohol, and diesel. This new form will replace the current gasoline tax return (Form 81) and diesel tax return (Form 91) and will be filed by everyone licensed for one or both programs.

Floor-stocks Tax

- ✓ In order to put diesel on an equal basis with gasoline, it will be necessary to impose a tax on the December 31, 1999 inventory of undyed diesel. A floor-stocks tax return is being developed which will allow you to compute the appropriate tax on your inventory as reported on line 5 of your

December, 1999 Form 91. The floor-stocks tax must be paid on or before July 1, 2000.

- ✓ It is imperative that the gallons reported on this line accurately reflect your physical inventory as of December 31, 1999. If you foresee a variance, contact your account representative for assistance.

NEW STATE TAX COMMISSIONER

Mary Jane Egr returns to Nebraska from McLean, Virginia where she was a partner in the firm of PricewaterhouseCoopers.

Mary Jane is a native Nebraskan and attended Creighton University and Creighton University School of Law. During and after law school, she clerked in an Omaha law office before joining the Nebraska Department of Revenue as a staff attorney in 1988. After more than two years with the department, she was appointed assistant counsel for the Multistate Tax Commission in Washington, D. C.

Mary Jane then joined the Federation of Tax Administrators in Washington D.C. as senior attorney, a position she held for three and a half years. After two and a half years as senior manager with Grant Thornton in Chicago, she joined PricewaterhouseCoopers in 1996.

Mary Jane has extensive knowledge in motor fuels taxation. She was very active in motor fuels taxation concerns while employed with the Federation of Tax Administrators.

NEXT UPDATE

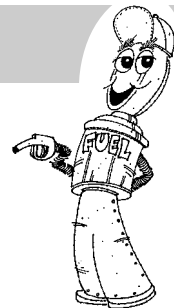
Starting this year, the **Motor Fuels Update** will be issued in April and October of each year. The semiannually newsletters will be in place of the quarterly issues.

MOTOR FUELS STATISTICS

As you probably know, the Transportation Equity Act for the 21st century (TEA-21) has increased the importance of motor fuel statistics because state data is now used to attribute each state's share of payments to the Highway Trust Fund. Our administrator, **Janet Stege**, is serving on the Motor Fuel Reporting Information Committee with the Federal Highway Administration (FHWA) to review issues and areas of improvement in these statistics. Members of the committee represent FHWA, the American Association of State Highway and Transportation Officials (AASHTO) and the Federation of Tax Administrators (FTA). The goal of this group is to address issues affecting the timeliness, accuracy, and uniformity of the reported data.

MOTOR FUELS TAX

The Nebraska motor fuels tax for **January 1, 1999** through **June 30, 1999** is **22.8 cents** per gallon.



FOR MOTOR FUELS TAXPAYER ASSISTANCE

Call your account representative
or toll free 1-800-554-FUEL
(1-800-554-3835).

Lincoln residents call 471-5730.
For *TT (Text Telephone),
dial 1-800-382-9309.



*Telecommunication Device for the Deaf (TDD) is designated by the use of "TT," which is consistent with the Americans with Disabilities Act.

OR CONTACT:

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<http://www.nol.org/revenue/fuels/fuels.htm>

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